



Montana Budget &  
Policy Center

EXHIBIT NO. 2

DATE 3-6-2009

BILL NO. \_\_\_\_\_

Fact Sheet  
03/03/2009

## State Circuit Breaker Programs Income Definitions

Eighteen states have circuit breaker programs. Some states make eligibility limitations based on the following classes: renters, homeowners, elderly, disabled. Ten of the eighteen states make the circuit breaker available to all classes of homeowners and renters.

These ten states use broad definitions of income to determine the ratio of property taxes to income. These states are District of Columbia, Maine, Maryland, Michigan, Minnesota, New Jersey, New York, Rhode Island, Vermont, and Wisconsin

Income Item	Source on MT Form 2	States
Start with AGI	Line 40	ME, MN, NY, RI, VT, WI
Start with Total Income	Line 22	DC, MD, MI, NJ
Add back nontaxables	8b,9b, 15a minus 15b,16a minus 16b, 20a minus 20b	DC, ME, MI, RI, MD, MN, NY, VT, WI
Add back capital gain and business losses	12, 13	ME, MN, MD, VT
Include public cash assistance (e.g. TANF)	n/a	ME, MD, MI, NY, RI, VT, WI,
Child Support payments	n/a	ME, MD, MI , WI
Contributions to FSA	Year end pay stub	ME
Contributions to 401k, 403b, etc	Year end pay stub	MN, WI
Employer paid dependent care	W2	ME, MD, MN

EXHIBIT NO. 2DATE 3-6-2009

Form 2

## 2008 Montana Individual Income Tax Return

For the year Jan 1 - Dec 31, 2008 or the tax year beginning [ ], 2008, ending [ ]

BLL 10/2007

<input type="checkbox"/> Check this box if this is an amended return.	First name and initial	Last name	Social security number	If deceased, date of death
	Spouse's first name and initial	Last name	Spouse's social security number	If deceased, date of death
<input type="checkbox"/> Check here if this is a NOL Carryback.	Mailing address	City	State	Zip+4
<b>Filing Status</b> (check only one box) <input type="checkbox"/> 1 Single <input type="checkbox"/> 2 Married filing jointly <input type="checkbox"/> 3a Married filing separately on the same form				
<input type="checkbox"/> 3b Married filing separately on separate forms. Spouse's SSN ▶				
<input type="checkbox"/> 3c Married filing separately and spouse not filing. Spouse's SSN ▶ <input type="checkbox"/> 4 Head of household				
<b>Residency Status</b> (check only one box) <input type="checkbox"/> 5a Resident full year				
<input type="checkbox"/> 5b Nonresident full year. Date of Change State moved to State moved from				
<input type="checkbox"/> 5c Resident part-year (abr.) (abr.)				
Exemptions	6a <input checked="" type="checkbox"/> Yourself <input type="checkbox"/> 65 or older <input type="checkbox"/> Blind Enter number checked ▶	6a		
	6b <input type="checkbox"/> Spouse <input type="checkbox"/> 65 or older <input type="checkbox"/> Blind Enter number checked ▶	6b		
	6c First name Last name Social security number Relationship Disabled	Enter the total number of dependents in line 6c. If additional dependents, see instructions on page 11.		
	Yes ▶	6c		
	Yes ▶	6c		
6d Add lines 6a thru 6c and enter total exemptions here.	6d			

Enter amounts corresponding to your federal return. Round to nearest dollar. If no entry, leave blank.

Federal Income	7	Wages, salaries, tips, etc. Attach federal Form(s) W-2.	▶	7	7
	8a	Taxable interest. Attach federal Schedule B if required.	▶	8a	8a
	8b	Tax-exempt interest. Do not include on line 8a. ▶	8b	8b	
	9a	Ordinary dividends. Attach federal Schedule B if required.	▶	9a	9a
	9b	Qualified dividends. ▶	9b	9b	
	10	Taxable refunds, credits, or offsets of state and local income taxes.	▶	10	10
	11	Alimony received.	▶	11	11
	12	Business income or (loss). Attach federal Schedule C or C-EZ. NAICS: ▶	12	12	12
	13	Capital gain or (loss). Attach federal Schedule D if required.	▶	13	13
	14	Other gains or (losses). Attach federal Schedule 4797.	▶	14	14
	15a	IRA distributions. ▶	15a	15a Taxable amount. ▶	15b
	16a	Pensions and annuities. ▶	16a	16a Taxable amount. ▶	16b
	17	Rental real estate, royalties, partnerships, S corporations, trust. Attach federal Schedule E.	▶	17	17
	18	Farm income or (loss). Attach federal Schedule F.	▶	18	18
Federal Adjusted Gross Income	19	Unemployment compensation.	▶	19	19
	20a	Social security benefits. ▶	20a	20a Taxable amount. ▶	20b
	21	Other income, list type. ▶	Amount. ▶	21	21
	22	Add the amounts in columns A and B for lines 7 thru 21. This is your total income.	▶	22	22
	23	Educator expenses.	▶	23	23
	24	Certain business expenses of reservist, etc. Attach Form 2106 or 2106EZ.	▶	24	24
	25	Health savings account deduction. Attach federal Form 8889.	▶	25	25
	26	Moving expenses. Attach federal Form 3903.	▶	26	26
	27	One-half of self-employment tax. Attach federal Schedule SE.	▶	27	27
	28	Self-employed SEP, SIMPLE, and qualified plans.	▶	28	28
	29	Self-employed health insurance deduction.	▶	29	29
	30	Penalty on early withdrawal of savings.	▶	30	30
	31a	Alimony paid.	▶	31a	31a
	31b	Recipient's SSN. ▶	31b	31b	
Montana AGI	32	IRA deduction.	▶	32	32
	33	Student loan interest deduction.	▶	33	33
	34	Tuition and fees deduction. Attach Form 8917.	▶	34	34
	35	Domestic production activities deduction. Attach federal Form 8903.	▶	35	35
	36	Add lines 23 through 35 and enter the result here. <input type="checkbox"/> Federal write-ins.	▶	36	36
	37	Subtract line 36 from line 22 and enter result here.	▶	37	37
	37a	Combine amounts on line 37 columns A and B and enter here. This is your federal adjusted gross income.	▶	37a	
	38	Enter Montana additions to federal AGI from Form 2, page 3, Schedule I, line 17. Attach Form 2, page 3, Schedule I.	▶	38	38
	39	Enter Montana subtractions from federal AGI from Form 2, page 4, Schedule II, line 35. Attach Form 2, page 4, Schedule II.	▶	39	39
	40	Add lines 37 and 38; subtract line 39. This is your Montana adjusted gross income.	▶	40	40

+GI

AGI

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Column A (for single,  
joint, separate, or  
head of household)Column B (for spouse  
when filing separately  
using filing status 3a)

Questions? Call us toll free at (866) 859-2254 or in Helena at 444-6900 or TDD (406) 444-2830 for hearing impaired.

Taxable income	41	Montana adjusted gross income from line 40.	▶	41		41
	42	<b>Deductions</b> (check only one box) <input type="checkbox"/> Standard Deduction (see Worksheet V on page 53). <input type="checkbox"/> Itemized Deductions from Form 2, Schedule III, line 33.	▶	42		42
	43	Subtract line 42 from line 41 and enter the result here.	▶	43		43
	44	<b>Exemptions</b> (All individuals are entitled to at least one exemption.) Multiply \$2,140 by the number of exemptions on line 6d and enter result here.	▶	44		44
	45	Subtract line 44 from line 43 and enter result here. If zero or less, enter zero. <b>This is your taxable income.</b>	▶	45		45
Payments	46	Tax from the tax table on page 16 or from Form 2, page 3. If line 45 is zero, enter zero.	▶	46		46
	47	2% capital gains tax credit.	▶	47		47
	48	Subtract line 47 from line 46 and enter the result here, but not less than zero. <b>This is your resident tax after capital gains tax credit.</b>	▶	48		48
	48a	Nonresident, part-year resident tax after capital gains tax credit. Enter here the amount from Form 2, Schedule IV, line 21, but not less than zero.	▶	48a		48a
	49	Tax on lump-sum distributions. Attach federal Form 4972.	▶	49		49
	50	Add lines 48 or 48a and 49 and enter the result here. <b>This is your total tax.</b>	▶	50		50
	51	Enter the amount from Schedule V, line 24, but do not enter an amount larger than the amount on line 50. <b>This is your total nonrefundable credits.</b>	▶	51		51
	52	Recapture tax(es) (see instructions on page 17). Code <input type="text"/> Code <input type="text"/>	▶	52		52
	53	Add lines 50 and 52, then subtract the amount on line 51 and enter the result here. <b>This is your 2008 tax liability.</b>	▶	53		53
	54	Montana income tax withheld. Attach federal Form(s) W-2 and 1099.	▶	54		54
55	Montana mineral royalty tax withheld. Attach Form(s) 1099 and supporting schedule if any.	▶	55		55	
56	2008 estimated tax payments and amount applied from your 2007 return.	▶	56		56	
57	2008 extension payments from Form EXT-08.	▶	57		57	
58	Refundable credits from Form 2, Schedule V, line 30.	▶	58		58	
59	<b>If filing an amended return:</b> Payments made with original return.	▶	59		59	
60	<b>If filing an amended return:</b> Previously issued refunds.	▶	60		60	
61	Add lines 54 through 59. Subtract line 60, enter the result here. <b>This is your total payments.</b>	▶	61		61	
62	If line 53 is greater than line 61, subtract line 61 from line 53. <b>This is your tax due.</b>	▶	62		62	
63	If line 61 is greater than line 53, subtract line 53 from line 61 and enter the result here. <b>This is your tax overpaid.</b>	▶	63		63	
Penalties, interest and contributions	64	Interest on underpayment of estimated taxes (see instructions on page 19).	▶	64		
	65	Late file, late payment penalties and interest (see instructions and table on pages 19 and 20).	▶	65		
	66	Other penalties (see instructions on page 20).	▶	66		
	67	Voluntary check-off contribution programs from Form 2, page 3.	▶	67		
	68	Add lines 64 through 67 and enter the result here. <b>This is the sum of your total penalties, interest and contributions.</b>	▶	68		
Total tax due, overpayment or refund	69	If you have tax due (amount on line 62), add lines 62 and 68 OR, if you have a tax overpayment (amount on line 63) and it is less than line 68, subtract line 63 from line 68. Enter the result here. If married filing separately and there are amounts on lines 62 and 63, please see instructions on pages 21 and 22. <b>This is the amount you owe.</b>	▶	69		
	Visit our website at <a href="http://mt.gov/revenue">mt.gov/revenue</a> to pay by credit card or E-check, or make a check payable to MONTANA DEPARTMENT OF REVENUE					
	70	If you have a tax overpayment (amount on line 63) and it is greater than line 68, subtract line 68 from line 63 and enter the result here. This is your overpayment. <b>This is your overpayment.</b>	▶	70		
	71	Enter the amount on line 70 that you want applied to your 2009 estimated taxes.	▶	71		
	72	Subtract line 71 from line 70 and enter the amount here. <b>This is your refund.</b>	▶	72		
<b>If you wish to direct deposit your refund, enter your financial institution's ROUTING# and ACCOUNT# below. See instructions.</b> ROUTING# <input type="text"/> Please check one box. Checking <input type="checkbox"/> Savings <input type="checkbox"/> ACCOUNT# <input type="text"/> Name, address and telephone number of paid preparer. <input type="text"/> If applicable, check appropriate box. 2/3rd farming gross income. <input type="checkbox"/> Annualized estimated payments. <input type="checkbox"/> Do not mail forms and instructions next year. <input type="checkbox"/> Preparer SSN, FEIN or PTIN. <input type="text"/> May the DOR discuss this return with your tax preparer? Yes <input type="checkbox"/> No <input type="checkbox"/> Check this box and attach a copy of your federal Form 4868 to receive your Montana extension. <input type="checkbox"/> Your signature is required <input type="text"/> Date <input type="text"/> Daytime telephone number <input type="text"/> Spouse's signature <input type="text"/> Date <input type="text"/> x <input type="text"/> x <input type="text"/>						

I declare under penalty of false swearing that the information in this tax return and attachments is true, correct and complete.

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If applicable, check appropriate box. 2/3 <sup>rd</sup> farming gross income. ▶ <input type="checkbox"/>		▼ Name, address and telephone number of paid preparer.				
Annualized estimated payments. ▶ <input type="checkbox"/>						
Do not mail forms and instructions next year. ▶ <input type="checkbox"/>		Preparer SSN, FEIN or PTIN. ▶ <input type="text"/>				
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Your signature is required	Date	Daytime telephone number	Spouse's signature	Date		
x			x			

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